

## **EXHIBIT 4**



# Internet Update

FOURTH - QUARTER 2004

## SBC Companies End 2004 Strong with 5.1 Million DSL Lines in Service

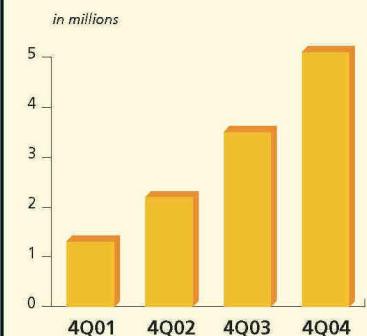
425,000 new DSL lines added in 4Q '04

Throughout the past year, SBC companies have added more than 1.6 million DSL subscriber lines, remaining the nation's largest DSL provider. In the fourth quarter 2004, SBC companies added 425,000 new DSL lines, reaching more than 5.1 million lines in service — a first among U.S. DSL providers.

In the first half of 2004, SBC companies deployed more than 350 remote terminals and more than doubled DSL service build-outs during the third and fourth quarters by equipping an additional 568 new remote terminals and 34 central offices to increase the availability of DSL Internet service throughout the 13-state territory.

To date, SBC companies have equipped more than 2,500 central offices with DSL capabilities and deployed more than 10,500 neighborhood broadband gateways. This brings the benefits of broadband to more than 39 million homes and businesses, or about 77 percent of SBC customer locations.

### Record SBC DSL Subscribers



## SBC Wi-Fi Service Rapidly Grows With Over 6,000 Hot Spots Now Available

*FreedomLink* network one of the nation's largest

The SBC Wi-Fi network continues to grow at a rapid rate, adding more than 3,370 *FreedomLink* locations in the fourth quarter of 2004. SBC DSL and Wi-Fi customers benefit from the ability to access *FreedomLink* service in more than 6,000 nationwide hot spots including select McDonald's, Barnes & Noble bookstores, *The UPS Store*®

and Mail Boxes Etc.®, coffee shops such as Caribou Coffee and The Coffee Bean & Tea Leaf, Avis rental car locations, airports, hotels, convention centers, restaurants, state parks, rest stops and welcome centers.

The SBC *FreedomLink* network is one of the nation's largest Wi-Fi networks, with hot spot availability in all 50 states and growing to more than 20,000 hot spots by the end of 2006.

In January, SBC companies announced plans to make *FreedomLink* service available in 85 California state parks by the end of May, bringing Wi-Fi Internet access to the picnic tables, tents, RV spaces and cabins of more than 85 million annual visitors. San Elijo State Beach, located outside of San Diego, was the first state park to offer the SBC Wi-Fi service.



SBC companies continue to drive the demand for Wi-Fi access by offering *FreedomLink* service at no charge for SBC DSL customers. This promotion was recently extended to May 31. After that, *FreedomLink* service will be available for only \$1.99 a month for SBC DSL subscribers.

This aggressive offer is expected to drive demand for Wi-Fi and DSL services by enabling customers to enjoy a comparable broadband experience at home, in the office and on the road while paying as little as \$29 per month for the two services.

To view a list of SBC Wi-Fi locations and obtain ordering information, visit [www.sbc.com/FreedomLink](http://www.sbc.com/FreedomLink).



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## SBC U-Verse Unveiled at Consumer Electronics Show

Judging from the national media coverage of the SBC maiden appearance at the massive Consumer Electronics Show in Las Vegas in early January, just about everyone wants IPTV. That stands for Internet Protocol TV, and the offering from SBC companies is bound to shake-up the home entertainment industry.



Consumer Electronics Show participants check out SBC U-verse entertainment and communication services. The showcase took place in Las Vegas Jan. 6-9.

During the show, SBC employees unveiled IPTV and the new SBC home entertainment service, both part of the company's new U-verse television and communications experience. The services are planned for launch during 2005, and both promise to change the way consumers watch TV, listen to music and enjoy digital photos and communications devices.

At the heart of the U-verse portfolio is Project Lightspeed, the company's \$4 billion initiative to deploy fiber to 18 million households across 13 states by the end of 2007. Through Project Lightspeed, SBC companies plan to deliver integrated IP-based video, voice, wireless and data services, providing a communications and entertainment experience not previously realized in the mass market. IPTV is being developed for late 2005 launch in conjunction with Microsoft Corp., whose software will help translate the incredible bandwidth of fiber into a home environment that will shatter our old ideas about home entertainment and communications.

## Hometown Tour Rolls in to 25 More Towns

### Citizens learn about benefits of high speed

Since February 2004, the SBC Yahoo! DSL Hometown Tour has visited more than 50 towns across the country to launch high-speed SBC Yahoo! DSL Internet service, educate residents about broadband technology and share the importance of Internet safety with young students. Following the success of phases one and two in 2004, the SBC Yahoo! DSL Hometown Tour is pulling up stakes and heading out on the road again for a third phase this winter and spring.

Starting in mid-February, Hometown Tour guides will travel to 25 towns throughout the SBC 13-state region to illustrate the many ways residents and businesses can benefit from high-speed Internet service and demonstrate some of the latest consumer electronics including digital cameras, wireless printers, digital music devices and even a robotic dog.

At each tour stop Hometown Tour guides illustrate the latest high-tech gadgets and features and functions of the SBC Yahoo! DSL service in live technology demonstrations for local civic organizations, teach interactive Internet safety lessons in local schools and conduct in-person demos for media. The selection of each community coincides with efforts to reach dial-up customers who are unfamiliar with the benefits of high-speed Internet access and to have a stronger impact in competitive markets.

For more information on the SBC Yahoo! DSL Hometown Tour and future tour stops, please visit [hometown.sbc.com](http://hometown.sbc.com).



## Home Set-top Box Announced

SBC Communications Inc. recently announced its joint venture with 2Wire, Inc. to develop a unique home entertainment service. At the heart of the service is the award-winning set-top box, available to customers in mid-2005, which integrates TV programming, digital video recording, photo sharing and music, tied together with the popular SBC Yahoo! user interface.

Available to customers who have both the SBC|DISH Network and SBC Yahoo! DSL services, the first-of-its-kind service will give customers unprecedented ease of use for accessing their DVR, photos, music, and computer files remotely from any Web-connected computer.

The development of the home entertainment service with remote access builds on the SBC commitment to evolve the digital home into the digital lifestyle, providing convenient access to a range of communications and entertainment services virtually anytime, anywhere and from almost any device. A later advancement will even allow remote access from all Cingular Wireless phones.

The home entertainment service is separate from, but complements recent plans to deliver Internet Protocol TV (IPTV) over the SBC fiber network, through Project Lightspeed. Customers will not need access to the fiber network to subscribe to the home entertainment service.

The SBC set-top box is just one of the many ways the SBC companies are working to take broadband connectivity beyond the PC to communications and entertainment devices throughout the home.